



**King County Mental Health, Chemical Abuse and Dependency Services Division
2002 Briefing Paper**

REDUCING THE COST OF PRESCRIPTION DRUGS

BACKGROUND:

The cost of prescription drugs has soared in recent years, and is one of the major reasons the cost of health care has increased so dramatically. The high cost of medications prevents many low-income individuals with mental illnesses from receiving the medicine they need to help control their symptoms. Many individuals are able to afford medications only by remaining on Medicaid and other public benefit programs. For these people, there is a major disincentive to leave the public mental health system.

ISSUES/CHALLENGES:

- Individuals who suffer from mental illness can recover and lead productive lives when they are able to receive mental health treatment. Medication is a key component of that treatment, but it must be affordable.
- Any cost containment measures implemented as prescription drug reform must allow for prescribing psychiatrists and nurses to have final say in determining the most effective medication for their patients, regardless of the cost.
- Repeated attempts to pass legislation to reduce prescription drug costs in Washington State have failed, due in large part to intense lobbying by the Pharmaceutical Industry.

DATA:

- In 2001, national prescription drug expenses increased by 16.4 %.
- In 2001 and 2002, 26 states passed laws to help control prescription drug costs.
- Studies conducted by the Washington Health Care Authority show that the costs for medications sold in the United States are markedly higher than the costs for the same medications sold in Canada.

RECOMMENDATION/KEY STATEMENT:

Other states have successfully reduced prescription drug costs through a variety of measures. In this time of shrinking resources, it is imperative that the legislature take action to reduce the costs of medications, so that the savings realized can be reinvested in urgently needed health and human services for low-income and special needs populations. This can be accomplished without compromising the ability of medical practitioners to prescribe the most effective medications for their patients.